

Ernie Fletcher
Governor



Teresa J. Hill
Secretary

Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Office of the Secretary
Capital Plaza Tower
Frankfort, Kentucky 40601

June 14, 2007

James I. Palmer, Jr.
Regional Administrator
U.S. EPA, Region 4
Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, Georgia 30365

Dear Mr. Palmer:

Enclosed for your consideration are two proposed revisions to Kentucky's State Implementation Plan: Kentucky's Attainment Demonstration for the Northern Kentucky counties of Boone, Campbell, and Kenton that are part of the Cincinnati-Hamilton, OH, KY, IN 8-Hour Ozone Nonattainment Area, and Kentucky's required Prevention of Significant Deterioration demonstration under §110(a)(2)(D)(i) of the Clean Air Act. Kentucky requests parallel processing of these revisions.

The attainment demonstration, based on modeling performed by the Visibility Improvement State and Tribal Association of the Southeast and the Association of Southeastern Integrated Planning (VISTAS/ASIP) provides documentation that the entire Cincinnati-Hamilton area will attain the 8-hour ozone standard by the required deadline. Both Ohio and Indiana are making separate attainment demonstrations for their respective portions of the metropolitan area and have submitted those demonstrations to U.S. EPA, Region 5. Those demonstrations, which also document attainment for the entire nonattainment area, are based on modeling performed by LADCO (Lake Michigan Air Directors Consortium).

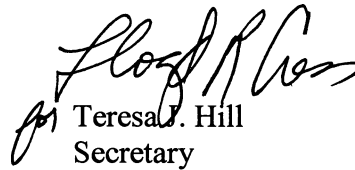
On April 25, 2005, EPA notified states of their failure to make the required SIP submission under §110(a)(2) of the CAA addressing interstate transport of pollutants related to ozone and PM2.5 in downwind states. EPA's guidance memorandum dated August 15, 2006, identified the §110(a)(2)(D)(i) requirements as having "4 prongs." Kentucky has already met prongs 1 and 2 by submitting our final Clean Air Interstate Rules (CAIR) earlier this year. The enclosed information further documents Kentucky's certification for meeting prongs 3 and 4.

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Kentucky requests that EPA parallel process these revisions. Five copies of the documents and associated appendices are enclosed. A public hearing to receive comments on these revisions is scheduled for July 24, 2007, at 1:30 pm EDT at the Northern Kentucky Area Development District in Florence, Kentucky. Comments must be submitted to the Division by COB July 24. The division's response to comments received during the public comment period will be provided after the conclusion of the public comment period.

Your prompt consideration of this request is appreciated. If you have any questions or comments, please contact Ms. Lona Brewer, or Mr. John Gowins at the Division for Air Quality at (502)573-3382.

Sincerely,



Teresa J. Hill
Secretary

Commonwealth of Kentucky

Determination of Clean Air Act Section 110(a)(2)(D)(i) Obligations

On July 18, 1997, the United States Environmental Protection Agency (EPA) promulgated National Ambient Air Quality Standards (NAAQS) for ozone and fine particulate matter (PM_{2.5}). Section 110(a)(1) of the CAA requires states to submit revision to their respective State Implementation Plans (SIPs) to provide for the implementation, maintenance, and enforcement of new or revised NAAQS within three years after the promulgation. Section 110(a)(2) explains what the new SIP must contain. The SIP for new or revised NAAQS must contain adequate provisions to address interstate transport of pollution, pursuant to Section 110(a)(2)(D)(i). States should have submitted SIP revisions to EPA for the 8-hour ozone NAAQS and the PM_{2.5} NAAQS no later than July 2000. However, litigation over both of the standards created substantial uncertainty among states and EPA as how to proceed. Also, regarding PM_{2.5}, additional time was needed for the creation of a monitoring network, collection of at least three years of data, and analysis of those data.

On April 25, 2005, EPA published an action in the Federal Register (*70 FR 21147*) making a finding that states had failed to make the statutorily required SIP submissions for the 8-hour ozone and PM_{2.5} Standards. EPA limited this finding of failure to submit, to the requirements of 110(a)(2)(D)(i) pertaining to interstate transport. This finding by EPA started a 24-month clock, as of May 25, 2005, for EPA to issue a final Federal Implementation Plan (FIP) to meet the requirements of Section 110(a)(2)(D)(i) for both 8-hour ozone and PM_{2.5} unless EPA approves a SIP to meet those requirements.

On August 11, 2006, EPA issued a guidance document regarding 110(a)(2)(D)(i) SIP submissions. This guidance document discussed four specific “prongs” of criteria that must be met by states. States are required to submit a SIP that contains adequate provisions prohibiting any source or other type of emissions activity within the state from emitting any air pollutants in amounts that will:

- Contribute significantly to nonattainment of NAAQS for areas in another state. **(Prong 1)**
- Interfere with maintenance of NAAQS by any other state. **(Prong 2)**
- Interfere with measures required to meet the implementation plan for any other State related to Prevention of Significant Deterioration (PSD). **(Prong 3)**
- Interfere with measures required to meet the implementation plan for any other state related to Regional Haze and Visibility. **(Prong 4)**

Demonstration that Kentucky is Meeting Federal Requirements Under 110(a)(2)(D)(i)

PRONGS 1 & 2

The implementation of Kentucky's Clean Air Interstate Rules – 401 KAR 51:210 thru 401 KAR 51:230 – effective February 2, 2007, will satisfy the requirements pertaining to Prongs 1 and 2.

PRONG 3

On August 10, 2006, U.S. EPA approved to Kentucky's SIP revisions to 401 KAR 51:017, Prevention of significant deterioration of air quality and 401 KAR 51:052, Review of new sources in or impacting upon nonattainment areas. Both regulations provide for a preconstruction review program for major source of air pollutants.

PRONG 4

It is not possible at this time to assess whether there is any interference with measures in the applicable SIP for another state designed to "protect visibility" until the regional haze SIPs are finalized. Kentucky is on schedule to meet the federally mandated time frames for submittal of the regional haze SIP revision.